

## Article - Labor and Employment

[\[Previous\]](#)[\[Next\]](#)

§3-419.

(a) (1) Except as provided in § 3-1604(d) of this title, this section applies to each employee who:

(i) is engaged in an occupation in which the employee customarily and regularly receives more than \$30 each month in tips;

(ii) has been informed by the employer about the provisions of this section; and

(iii) has kept all of the tips that the employee received.

(2) Notwithstanding paragraph (1)(iii) of this subsection, this section does not prohibit the pooling of tips.

(b) Subject to the limitations in this section, an employer may include, as part of the wage of an employee to whom this section applies:

(1) an amount that the employer sets to represent the tips of the employee; or

(2) if the employee or representative of the employee satisfies the Commissioner that the employee received a lesser amount in tips, the lesser amount.

(c) The tip credit amount that the employer may include under subsection (b) of this section may not exceed the minimum wage established under § 3-413 of this subtitle for the employee less \$3.63.

(d) (1) The Commissioner shall adopt regulations, in consultation with payroll service providers and restaurant industry trade group representatives, to require restaurant employers that include a tip credit as part of the wage of an employee to provide tipped employees with a written or electronic wage statement for each pay period that shows the effective hourly tip rate as derived from employer-paid cash wages plus all reported tips for tip credit hours worked each workweek of the pay period.

(2) The Commissioner shall provide notification of the tip credit wage statement regulations on the Department's website.

[\[Previous\]](#)[\[Next\]](#)